

JUDGE CHIN

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA

-v.-

MICHAEL CHU,
a/k/a "Michael Choi,"
a/k/a "Schuching M. Chu,"
a/k/a "Shu Ching Chu,"
a/k/a "Michael Shuching Chu,"
GRACE QUEZON,
a/k/a "Charmaine Dabao,"
TROY KING,
ROBIN HUFF,
HSI FENG LI,
a/k/a "The General,"
a/k/a "Xue Feng Li,"
CHI ON WONG,
a/k/a "Tommy Wong,"
MAN WAI CHENG,
a/k/a "Man Wei Chen,"
a/k/a "Tina Wong,"
WING KI LEE,
a/k/a "Joe,"
DICK ONG,
YEE KHIONG TING,
a/k/a "Mr. Ding,"
a/k/a "Paul Ding," and
SHAOFENG SHI,
a/k/a "Simon CP,"

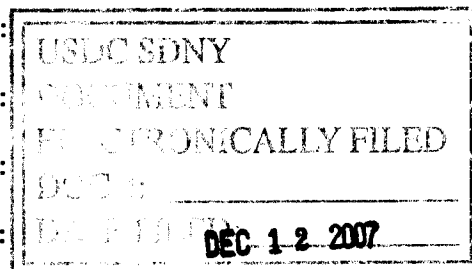
Defendants.

INDICTMENT

07 Cr.

07 CRIM 1143

07 CRIM 1143



COUNT ONE

(Conspiracy)

The Grand Jury charges:

Overview of the Smuggling Scheme

1. At all times relevant to this Indictment, the Port of Newark-Elizabeth Marine Terminal (the "Port" or "Port Newark")

served as the principal container ship facility for goods entering and leaving the New York City metropolitan area from abroad by sea.

2. At all times relevant to this Indictment, the defendants participated in a global criminal enterprise which smuggled and attempted to smuggle into the United States more than one hundred 40-foot-long shipping containers containing at least \$200 million in counterfeit merchandise from China through United States ports, including through Port Newark.

3. As part of the scheme, the defendants smuggled Chinese-made counterfeit goods into the United States through the Port by using shipping containers carrying false bills of lading. A bill of lading is a document issued by a shipping carrier which, among other things, reflects that specified goods have been received by the shipper as cargo for conveyance to a named location for delivery to a consignee, usually identified in the document. After the containers cleared United States Bureau of Customs and Border Protection ("CBP") inspection protocols at Port Newark, the smugglers typically transported the containers to warehouses throughout the New York City metropolitan area for short-term storage pending distribution to retail-level customers.

4. During the course of the smuggling scheme, from at least in or about August 2006 through in or about December 2007,

members of the smuggling operation maintained nearly-daily contact with a Special Agent of the United States Bureau of Immigration and Customs Enforcement ("ICE"), acting in an undercover capacity ("UC"), who posed as a corrupt officer of the longshoreman's union who could facilitate the movement of counterfeit merchandise through Port Newark without detection and seizure by CBP. The defendants and their co-conspirators paid the UC an aggregate of more than \$500,000 in cash in return for purportedly helping to clear through CBP more than one hundred containers loaded with counterfeit goods for distribution in the American retail markets. The retail value of genuine versions of this counterfeit merchandise is estimated to exceed \$200 million.

Relevant Persons and Entities

5. Beginning in or about August 2006, MICHAEL CHU, a/k/a "Michael Choi," a/k/a "Schuching M. Chu," a/k/a "Shu Ching Chu," a/k/a "Michael Shuching Chu," the defendant, solicited the UC's help in moving containers of counterfeit merchandise through the Port. Since their initial meeting, CHU met frequently with the UC to provide the UC information about incoming containers of counterfeit goods and paid the UC over one hundred thousand dollars in cash for the UC's efforts to facilitate the smuggling of the counterfeit goods through the Port.

6. At certain times relevant to this Indictment, DICK ONG, the defendant, was an associate of CHU, who assisted CHU in

smuggling containers of counterfeit goods through the Port.

7. At certain times relevant to this Indictment, HSI FENG LI, a/k/a "The General," a/k/a "Xue Feng Li," the defendant, utilized CHU and the UC to smuggle into the United States at least one container of counterfeit goods.

8. ROBIN HUFF, the defendant, participated in the criminal scheme since at least in or around November 2006. HUFF, a licensed customs broker, had access to a CBP database that allowed licensed customs brokers to ascertain the status of containers that were en route or had arrived at the Port. At certain times relevant to this Indictment, HUFF exploited his access to this CBP database to facilitate the movement of counterfeit goods through the Port on behalf of the defendants' criminal organization.

9. GRACE QUEZON, a/k/a "Charmaine Dabao," the defendant, initially worked for MICHAEL CHU, a/k/a "Michael Choi," a/k/a "Schuching M. Chu," a/k/a "Shu Ching Chu," a/k/a "Michael Shuching Chu," the defendant, in the smuggling scheme. Subsequently, QUEZON directly solicited the UC's assistance in smuggling goods through the Port and, together with her associates, paid hundreds of thousands of dollars to the UC for his purported assistance in the smuggling of counterfeit merchandise from China through the Port.

10. At certain times relevant to this Indictment, WING

KI LEE, a/k/a "Joe," and TROY KING, the defendants, and a co-conspirator not named as a defendant herein ("CC-1"), were associates of GRACE QUEZON, a/k/a "Charmaine Dabao," the defendant, and assisted QUEZON in smuggling containers of counterfeit goods through the Port.

11. Beginning in or around August 2007, YEE KHIONG TING, a/k/a "Mr. Ding," a/k/a "Paul Ding," the defendant, solicited the UC's assistance in smuggling shipments of counterfeit merchandise on behalf of a co-conspirator not named as a defendant herein ("CC-2"). CC-2 had factories in China that manufactured some of the counterfeit merchandise that the organization sought to smuggle into the United States. TING provided cash payments to the UC in return for his purported assistance in successfully clearing containers through CBP protocols.

12. At all times relevant to this Indictment, KT Express was a Brooklyn-based trucking company owned and managed by CHI ON WONG, a/k/a "Tommy Wong," and MAN WAI CHENG, a/k/a "Man Wei Chen," a/k/a "Tina Wong," the defendants. At certain times relevant to this Indictment, to transport containers that they believed the UC had corruptly arranged for entry into the United States, members of the organization, including GRACE QUEZON, a/k/a "Charmaine Dabao," YEE KHIONG TING, a/k/a "Mr. Ding," a/k/a "Paul Ding," TROY KING, and WING KI LEE, a/k/a "Joe," the

defendants, and CC-2, employed KT Express as part of their smuggling operation. Under their arrangement with WONG and CHENG, members of the organization paid KT Express a premium to transport containers of counterfeit goods.

13. At certain times relevant to this Indictment, SHAOFENG SHI, a/k/a "Simon CP," the defendant, controlled a warehouse in Linden, New Jersey, where containers of counterfeit goods smuggled by the defendants' smuggling organization were delivered for short-term storage pending distribution to retail-level customers.

Statutory Allegation

14. From in or about June 2006 through in or about November 2007, in the Southern District of New York and elsewhere, MICHAEL CHU, a/k/a "Michael Choi," a/k/a "Schuching M. Chu," a/k/a "Shu Ching Chu," a/k/a "Michael Shuching Chu," GRACE QUEZON, a/k/a "Charmaine Dabao," TROY KING, ROBIN HUFF, HSI FENG LI, a/k/a "The General," a/k/a "Xue Feng Li," CHI ON WONG, a/k/a "Tommy Wong," MAN WAI CHENG, a/k/a "Man Wei Chen," a/k/a "Tina Wong," WING KI LEE, a/k/a "Joe," DICK ONG, YEE KHIONG TING, a/k/a "Mr. Ding," a/k/a "Paul Ding," and SHAOFENG SHI, a/k/a "Simon CP," the defendants, and others known and unknown, unlawfully, willfully and knowingly did combine, conspire, confederate, and agree together and with each other to commit offenses against the United States, to wit, to violate Title 18, United States Code,

Section 545 and Title 18, United States Code, Section 2320.

15. It was a part and an object of the conspiracy that MICHAEL CHU, a/k/a "Michael Choi," a/k/a "Schuching M. Chu," a/k/a "Shu Ching Chu," a/k/a "Michael Shuching Chu," GRACE QUEZON, a/k/a "Charmaine Dabao," TROY KING, ROBIN HUFF, HSI FENG LI, a/k/a "The General," a/k/a "Xue Feng Li," CHI ON WONG, a/k/a "Tommy Wong," MAN WAI CHENG, a/k/a "Man Wei Chen," a/k/a "Tina Wong," WING KI LEE, a/k/a "Joe," DICK ONG, YEE KHIONG TING, a/k/a "Mr. Ding," a/k/a "Paul Ding," and SHAOFENG SHI, a/k/a "Simon CP," the defendants, and others known and unknown, knowingly, willfully, and unlawfully, with intent to defraud the United States, would and did smuggle and clandestinely introduce and attempt to smuggle and clandestinely introduce into the United States merchandise which should have been invoiced, and did make out and pass, and attempt to pass, through the customhouse a false, forged, and fraudulent invoice, and other document and paper; and fraudulently and knowingly would and did import and bring into the United States, merchandise contrary to law, and did receive, conceal, buy, sell and in any manner facilitate the transportation, concealment, and sale of such merchandise after importation, knowing the same to have been imported and brought into the United States contrary to law, in violation of Title 18, United States Code, Section 545.

16. It was further a part and an object of the

conspiracy that MICHAEL CHU, a/k/a "Michael Choi," a/k/a "Schuching M. Chu," a/k/a "Shu Ching Chu," a/k/a "Michael Shuching Chu," GRACE QUEZON, a/k/a "Charmaine Dabao," TROY KING, ROBIN HUFF, HSI FENG LI, a/k/a "The General," a/k/a "Xue Feng Li," CHI ON WONG, a/k/a "Tommy Wong," MAN WAI CHENG, a/k/a "Man Wei Chen," a/k/a "Tina Wong," WING KI LEE, a/k/a "Joe," DICK ONG, YEE KHIONG TING, a/k/a "Mr. Ding," a/k/a "Paul Ding," and SHAOFENG SHI, a/k/a "Simon CP," the defendants, and others known and unknown, would and did intentionally traffic and attempt to traffic in goods and services and knowingly use a counterfeit mark on and in connection with such goods and services, and intentionally traffic and attempt to traffic in labels, patches, stickers, wrappers, badges, emblems, medallions, charms, boxes, containers, cans, cases, hangtags, documentation, and packaging, knowing that a counterfeit mark had been applied thereto, the use of which was likely to cause confusion, to cause mistake, and to deceive, in violation of Title 18, United States Code, Section 2320.

Overt Acts

17. In furtherance of said conspiracy, and to effect the illegal objects thereof, MICHAEL CHU, a/k/a "Michael Choi," a/k/a "Schuching M. Chu," a/k/a "Shu Ching Chu," a/k/a "Michael Shuching Chu," GRACE QUEZON, a/k/a "Charmaine Dabao," TROY KING, ROBIN HUFF, HSI FENG LI, a/k/a "The General," a/k/a "Xue Feng

Li", CHI ON WONG, a/k/a "Tommy Wong," MAN WAI CHENG, a/k/a "Man Wei Chen," a/k/a "Tina Wong," WING KI LEE, a/k/a "Joe," DICK ONG, YEE KHIONG TING, a/k/a "Mr. Ding," a/k/a "Paul Ding," and SHAOFENG SHI, a/k/a "Simon CP," the defendants, and others known and unknown, committed the following overt acts, among others, in the Southern District of New York and elsewhere:

a. On or about November 15, 2006, MICHAEL CHU, a/k/a "Michael Choi," a/k/a "Schuching M. Chu," a/k/a "Shu Ching Chu," a/k/a "Michael Shuching Chu," and ROBIN HUFF, the defendants, met with the UC in New York, New York, and discussed counterfeit smuggling activities.

b. On or about February 1, 2007, MICHAEL CHU, a/k/a "Michael Choi," a/k/a "Schuching M. Chu," a/k/a "Shu Ching Chu," a/k/a "Michael Shuching Chu," ROBIN HUFF, and HSI FENG LI, a/k/a "The General," a/k/a "Xue Feng Li", the defendants, met with the UC in Hoboken, New Jersey, and discussed counterfeit smuggling activities.

c. On or about August 9, 2007, GRACE QUEZON, a/k/a "Charmaine Dabao," and TROY KING, the defendants, met with the UC in a vehicle in New York, New York, and discussed counterfeit smuggling activities.

d. On or about August 9, 2007, GRACE QUEZON, a/k/a "Charmaine Dabao," and YEE KHIONG TING, a/k/a "Mr. Ding," a/k/a "Paul Ding," the defendants, met with the UC at a restaurant in New York, New York, and discussed counterfeit

smuggling activities.

e. On or about August 21, 2007, MICHAEL CHU, a/k/a "Michael Choi," a/k/a "Schuching M. Chu," a/k/a "Shu Ching Chu," a/k/a "Michael Shuching Chu," and DICK ONG, the defendants, met with the UC in CHU's office in New York, New York, and discussed counterfeit smuggling activities.

f. On or about August 28, 2007, GRACE QUEZON, a/k/a "Charmaine Dabao," and MAN WAI CHENG, a/k/a "Man Wei Chen," a/k/a "Tina Wong," the defendants, met with the UC in Brooklyn, New York, and discussed counterfeit smuggling activities.

g. On or about September 4, 2007, CHI ON WONG, a/k/a "Tommy Wong," the defendant, met with the UC in Elizabeth, New Jersey, and discussed counterfeit smuggling activities.

h. On or about November 4, 2007, WING KI LEE, a/k/a "Joe," the defendant, met with the UC in Union, New Jersey, and discussed counterfeit smuggling activities.

i. On or about October 11, 2006, SHAOFENG SHI, a/k/a "Simon CP," the defendant, received the contents of a container of counterfeit Nike sneakers at his warehouse in Linden, New Jersey.

(Title 18, United States Code, Section 371.)

COUNT TWO

(Smuggling)

The Grand Jury further charges:

18. The allegations in paragraphs 1-13 and 17 are repeated, re-alleged and reincorporated as if set forth fully herein.

19. From in or about June 2006 through in or about November 2007, in the Southern District of New York and elsewhere, MICHAEL CHU, a/k/a "Michael Choi," a/k/a "Schuching M. Chu," a/k/a "Shu Ching Chu," a/k/a "Michael Shuching Chu," GRACE QUEZON, a/k/a "Charmaine Dabao," TROY KING, ROBIN HUFF, HSI FENG LI, a/k/a "The General," a/k/a "Xue Feng Li", CHI ON WONG, a/k/a "Tommy Wong," MAN WAI CHENG, a/k/a "Man Wei Chen," a/k/a "Tina Wong," WING KI LEE, a/k/a "Joe," DICK ONG, YEE KHIONG TING, a/k/a "Mr. Ding," a/k/a "Paul Ding," and SHAOFENG SHI, a/k/a "Simon CP," the defendants, and others known and unknown, knowingly, willfully, and unlawfully, with intent to defraud the United States, did smuggle and clandestinely introduce and attempt to smuggle and clandestinely introduce into the United States merchandise which should have been invoiced, and did make out and pass, and attempt to pass, through the customhouse a false, forged, and fraudulent invoice, and other document and paper; and fraudulently and knowingly did import and bring into the United States, merchandise contrary to law, and did receive, conceal, buy, sell and in any manner facilitate the transportation,

concealment, and sale of such merchandise after importation, knowing the same to have been imported and brought into the United States contrary to law, to wit, the defendants smuggled and attempted to smuggle into the United States over 100 shipping containers of counterfeit merchandise, then distributed that merchandise in the New York City metropolitan area and elsewhere.

(Title 18, United States Code, Sections 545 and 2.)

COUNT THREE

(Trafficking In Counterfeit Goods)

The Grand Jury further charges:

20. The allegations in paragraphs 1-13 and 17 are repeated, re-alleged and reincorporated as if set forth fully herein.

21. From in or about June 2006 through in or about November 2007, in the Southern District of New York and elsewhere, MICHAEL CHU, a/k/a "Michael Choi," a/k/a "Schuching M. Chu," a/k/a "Shu Ching Chu," a/k/a "Michael Shuching Chu," GRACE QUEZON, a/k/a "Charmaine Dabao," TROY KING, ROBIN HUFF, HSI FENG LI, a/k/a "The General," a/k/a "Xue Feng Li", CHI ON WONG, a/k/a "Tommy Wong," MAN WAI CHENG, a/k/a "Man Wei Chen," a/k/a "Tina Wong," WING KI LEE, a/k/a "Joe," DICK ONG, YEE KHIONG TING, a/k/a "Mr. Ding," a/k/a "Paul Ding," and SHAOFENG SHI, a/k/a "Simon CP," the defendants, and others known and unknown, knowingly, willfully, unlawfully, and intentionally trafficked and attempted

to traffic in goods and services and knowingly used a counterfeit mark on and in connection with such goods and services, and intentionally trafficked and attempted to traffic in labels, patches, stickers, wrappers, badges, emblems, medallions, charms, boxes, containers, cans, cases, hangtags, documentation, and packaging, knowing that a counterfeit mark has been applied thereto, the use of which is likely to cause confusion, to cause mistake, and to deceive, to wit, the defendants smuggled and attempted to smuggle into the United States over 100 shipping containers of counterfeit merchandise, which was then distributed to others in the New York City metropolitan area and elsewhere.

(Title 18, United States Code, Sections 2320 and 2.)

FORFEITURE ALLEGATIONS

22. As the result of committing the smuggling and counterfeiting offenses in violation of Title 18, United States Code, Sections 371, 545, and 2320, as charged in Counts One, Two, and Three of this Indictment, MICHAEL CHU, a/k/a "Michael Choi," a/k/a "Schuching M. Chu," a/k/a "Shu Ching Chu," a/k/a "Michael Shuching Chu," GRACE QUEZON, a/k/a "Charmaine Dabao," TROY KING, ROBIN HUFF, HSI FENG LI, a/k/a "The General," a/k/a "Xue Feng Li", CHI ON WONG, a/k/a "Tommy Wong," MAN WAI CHENG, a/k/a "Man Wei Chen," a/k/a "Tina Wong," WING KI LEE, a/k/a "Joe," DICK ONG, YEE KHIONG TING, a/k/a "Mr. Ding," a/k/a "Paul Ding," and SHAOFENG SHI, a/k/a "Simon CP," the defendants, shall forfeit to

the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461, all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of the offenses, including but not limited to at least approximately \$95 million in United States currency, in that such sum in aggregate is property representing the amount of proceeds obtained as a result of the smuggling and counterfeiting offenses charged in Counts One, Two and Three of this Indictment.

23. As the result of committing the counterfeiting offense in violation of Title 18, United States Code, Sections 2320 and 2, as charged in Count Three of this Indictment, MICHAEL CHU, a/k/a "Michael Choi," a/k/a "Schuching M. Chu," a/k/a "Shu Ching Chu," a/k/a "Michael Shuching Chu," GRACE QUEZON, a/k/a "Charmaine Dabao," TROY KING, ROBIN HUFF, HSI FENG LI, a/k/a "The General," a/k/a "Xue Feng Li", CHI ON WONG, a/k/a "Tommy Wong," MAN WAI CHENG, a/k/a "Man Wei Chen," a/k/a "Tina Wong," WING KI LEE, a/k/a "Joe," DICK ONG, YEE KHIONG TING, a/k/a "Mr. Ding," a/k/a "Paul Ding," and SHAOFENG SHI, a/k/a "Simon CP," the defendants, shall forfeit to the United States, pursuant to Title 18, United States Code, Sections 2320(b)(1)(A) & (B) and 2320(b)(3)(A):

a. Any article bearing or consisting of a counterfeit mark used in committing a violation of Title 18, United States Code, Section 2320(a);

b. Any property used, in any manner or part, to commit or to facilitate the commission of a violation of Title 18, United States Code, Section 2320(a), including but not limited to:

- i. One 1998 Volvo Tractor Truck, bearing Vehicle Identification Number 4V47DBGH1WN726668; and
- ii. One 1999 Freightliner Truck, bearing Vehicle Identification Number 1FU YDCYB8XLA42788A;

c. Any property constituting or derived from any proceeds the defendants obtained, directly or indirectly, as the result of the offense, including but not limited to at least approximately \$95 million in United States currency, in that such sum in aggregate is property representing the amount of proceeds the defendants obtained as a result of the counterfeiting offense charged in Count Three of this Indictment.

Substitute Asset Provision

24. If any of the above-described forfeitable property, as a result of any act or omission of the defendants:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third person;

c. has been placed beyond the jurisdiction of the Court;


d. has been substantially diminished in value;
or

e. has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to 21 U.S.C. § 853(p), to seek forfeiture of any other property of said defendants up to the value of the above forfeitable property.

(Title 18, United States Code, Sections 981 and 2320, Title 21, United States Code, Section 853(p), and Title 28, United States Code, Section 2461.)


FOREPERSON


MICHAEL J. GARCIA *MAA*
United States Attorney

Form No. USA-33s-274 (Ed. 9-25-58)

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DICK ONG,
YEE KHIONG TING, and
SHAOFENG SHI,**

Defendants.

INDICTMENT

07 Cr. __

Title 18 U.S.C. §§ 371, 545, 2320 & 2

MICHAEL J. GARCIA
United States Attorney.

A TRUE BILL

Arnesto R. Lopez
Foreperson.

12/14/07 Filed Indictment. Case assigned to Judge Chin of Mag Judge Lat